



# *NEWS RELEASE*

## **PRESS OFFICE**

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### **SBA Sets 50-Year Record in Loans to Small Businesses, Registers 29% Increase in FY 2003; Loans to Minorities Up 38%**

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#### **Santa Ana District Office Lending Reaches Record Level, Leads Nation in 504 Loan Volume**

**WASHINGTON** – A record number of small businesses turned for credit assistance to the U.S. Small Business Administration over the past year, producing a 29 percent increase in the total number of loans backed by the agency in FY 2003, including sharp jumps in the number of loans to women, minorities and veterans. For the Santa Ana District Office, which services Orange, Riverside and San Bernardino Counties, new records were also set in total number of loans and loans to minority and women borrowers.

During the fiscal year ending September 30, the SBA backed 76,465 loans to small businesses in the agency's three major loan programs. The Santa Ana District Office made a total of 2,230 loans with a total dollar amount of \$667 million in fiscal year 2003, an increase of 27 percent over last year in total number of loans.

"These loans demonstrate our commitment to meeting the unique financing needs of small businesses everywhere, and the impressive increase we have posted for the past year validates our approach to making smaller loans more readily available to the real job creation engine of our economy," said SBA Administrator Hector V. Barreto.

"By focusing on a smaller average loan size we are leveraging our resources to assisting more small businesses and creating more jobs. Based on statements from our borrowers, our financial backing helped the small businesses of America create or retain more than 526,000 jobs."

The overall increase nationally in loan approvals under the SBA's three major loan programs, the 7(a) General Business Loan Guaranty program, the Certified Development Company (or 504) loan program and the Microloan program, came to 29.8 percent, reflecting an increase from 59,563 loans in FY 2002 to 76,465 loans in FY 2003.

Strong increases were registered in the two larger programs: 7(a) loans were up by 30.3 percent and 504 loans rose by 25.2 percent. The number of Microloans fell slightly, by 5 percent. The Santa Ana District Office is also seeing an increase in the two major loan programs. The 7(a) loans were up 26 percent and the 504 loans rose by 32 percent, reflecting increases from FY

2002 to FY 2003. Also, Santa Ana was again the leading district in the nation for total 504 loans made with 394 for \$220 million.

In total, loans to small businesses owned by minorities increased by 38 percent, from 15,836 in FY 2002 to 21,830 in FY 2003. Within that total, loans to African Americans increased by 61 percent, loans to Hispanic Americans increased by 39 percent, loans to Asian Americans increased by 31 percent and loans to Native Americans increased by 18 percent. Loan approvals for women small business owners increased by 33 percent, to 16,503 loans, and loans to veteran-owned small businesses rose by 22 percent, to 7,413 loans. District-wide loans to small businesses owned by minorities increased 42 percent, from 643 in FY 2002 to 913 in FY 2003. Within that total, loans to Native Americans increased by 56 percent, loans to Asian Americans increased by 45 percent, loans to African Americans increased by 41 percent and loans to Hispanic Americans increased by 31 percent. Loan approvals to women small business owners increased by 47 percent.

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